

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

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In the Matter of:

ADJUSTMENT OF RATES OF ERI-GEK)
SEWER TREATMENT PLANT UNDER KAR) CASE NO. 8649
5:076 ALTERNATE RATE ADJUSTMENT)
PROCEDURE FOR SMALL UTILITIES)

O R D E R

IT IS ORDERED that Eri-Gek Sewer Treatment Plant shall file an original and seven copies of the following information with the Commission by December 3, 1982. If the information requested or a motion for an extension of time is not filed by the stated date the Commission may dismiss the case without prejudice.

1) Provide an explanation why the present demand on the system of 100,000 GPD is considerably less than the 157,000 GPD demand existing at the time of the last rate case.

2) Reconcile the proposed increase in revenues of \$15,675 shown in the revised comparative income statement (Exhibit XIII) to the \$16,367 increase proposed in the original application. Verify that this statement was prepared on an accrual basis, or resubmit it if cash basis was used.

3) Provide the method of accounting for sales taxes for the test period, including the journal entries used.

4) Regarding the response to staff request no. 1, item 4, on bad debt expense, provide: 1) the actual billing for the test

year if this amount differs from the \$43,186.44 given in response no. 4; 2) an explanation of whether the billing includes sales taxes, and if it does, why that tax was subtracted from collections in figuring bad debt.

Done at Frankfort, Kentucky, this 22nd day of November, 1982.

PUBLIC SERVICE COMMISSION


For the Commission

ATTEST:

Secretary